MCO330

DEPARTMENT OF HEALTH

ESTATECODE

THE NATIONAL ESTATE AWARENESS TRAINING PROGRAMME

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DEPARTMENT OF HEALTH

Advisory Group on Estate Management

Part of
ESTATECODE
Level 2

THE NATIONAL ESTATE AWARENESS TRAINING PROGRAMME

1. Background
2. Changing Attitudes
3. The Need for Training
4. The National Estate Awareness Programme

Appendix A Tier 1

Appendix B Tiers 2 and 3

Appendix C Regional Co-ordinators

This Guidance is issued by the Advisory Group on Estate Management. Any enquiries on it should be made to the AGEM Secretariat, Estate and Property Management Directorate, Euston Tower, 286 Euston Road, London NW1 3DN

MAY 1989

1. *Background*

The needs of the patient, whether an in-patient requiring treatment and hotel services or an out-patient, are of paramount importance to all managers and staff in the National Health Service. Within the NHS it is now recognised that the resources available to fulfil these needs comprise people, money and the estate. Of these resources the people and the environment created by the estate are the two immediately obvious to patients and visitors.

2. *Changing Attitudes*

2.1 In 1964 the importance of the estate management function was gaining credence through the publication of the Tyler Report which sought to develop a meaningful training and development strategy for the then "hospital engineers". Whilst the report succeeded in its main aim, it continued to endorse the isolation of professional engineers from other building professions within the NHS.

2.2 The Woodbine Parish Report of 1970 stressed the need for better expertise to support estate decisions and the 1977 NHS reorganisation provided opportunities to integrate the building and engineering professions under a common leadership to provide an integrated service. The major activities within these Departments at Region concerned the design and procurement of hospital buildings whilst at Area level they concerned the operations and maintenance management of buildings and equipment. Despite this some Regions were recognising by the late 1970s that Units and Departments also had an important input to make in the preparation of strategic plans.

2.3 1982 saw the publication of "Patients First" and yet another reorganisation which took out the Area tier and established Estates Divisions at both Region and District. The new management structures accompanying the reorganisation recognised functional roles rather than the professional specialisms.

2.4 It nevertheless took until 1983, and the publication of the report on "Underused and Surplus Property in the NHS" (the Ceri Davies Report), before any major recognition began to take place of the importance of the estate and property management function. This report changed attitudes within the NHS and it was formally endorsed by the DHSS in Health Circular HC(83)22.

Since 1983, general management principles have become firmly established, and "Estates Departments" are replacing "Works Departments" so finally recognising the changed role since the 1970s.

3. *The Need for Training*

The one element of the recommendations made in the Ceri Davies Report, not tackled until now, concerns the development of a coherent estate training strategy. The National Health Service Training Authority (NHSTA) has produced a national strategy for the training of estates staff in England and Wales. A key component of the new strategy is the National Estate Awareness Training Programme. Its success will depend on the interest and commitment of all members and managers involved in the top level of decision making, as well as estate professionals and technical staff. Given this commitment and recognition, the real potential of the estate input can be fully realised through the identification of surplus assets, the effective utilisation of available space, the effective use of energy and in the provision of better environmental conditions for patients and staff.

4. *The National Estate Awareness Programme*

4.1 The National Estate Awareness Programme is all about keeping up to date with new developments in the NHS. This is not only sensible in terms of good practice, but is also the hallmark of the professional approach and a means to influence the quality of healthcare. New learning also enables individuals to move more confidently from one specialism to another and to ascend to new levels of responsibility and influence, and (according to educational research) to live longer! The Programme brings all these advantages together into a single portfolio.

4.2 The Programme is designed to raise the profile of estates issues in terms of their general management significance, and their effect on the cost and availability of healthcare facilities. The Programme is arranged in three tiers:

> *Tier 1* — an introductory one-day symposium characterised by a concern for the roles and functions of the specialist personnel involved, their interdisciplinary collaboration and their contribution, through the estate to the healthcare output.

Tier 2 — a portfolio of half-day or full day seminars dealing with specialised aspects of key NHS estate issues.

Tier 3 — a set of educational materials which address each of the topics listed in Tier 2. The materials consist of written notes compiled by topic experts, and easy-to-follow tapes to raise awareness of the issues to be considered in systematic estate management.

4.3 The Programme has a central role in assisting a corporate approach to healthcare in which the estate is fully considered. All the events in the Programme include question and answer sessions with the speakers and there is ample opportunity to give written feedback on how the event has matched expectations, and on what follow-up would be most appropriate to support local estate management activity.

4.4 Tier 1 is fully described in Appendix A and the modules comprising Tiers 2 and 3 are at Appendix B.

4.5 The National Estate Awareness Training Programme is managed by the NHSTA through its training centre at Falfield, in conjunction with the Continuing Education Group at York University's Institute of Advanced Architectural Studies. The development of the Programme has involved close collaboration with the Property Adviser to the NHS Management Board and with the Department's Estate and Property Management Directorate. Enquiries about the Programme should be directed through Regional Co-ordinators (see Appendix C) to the NHS Training Authority, Eastwood Park, Falfield, Wooton Under Edge, Gloucestershire GL12 8DA (Tel: 0454-260207).

Tier 1

The programme for Tier 1 is specifically designed to meet the needs of the Region concerned. Its aim is to provide information on current Departmental policies for the estates, to discuss the Region's policies in terms of priorities, programmes and projects at District level and to consider what needs to be done in the future and the training requirements.

A typical programme could cover the following:

10.00 hrs	Introduction
10.15 hrs	Estate Policy — A View from the Department
10.50 hrs	Discussion and Break
11.15 hrs	Development Opportunities and Constraints
11.45 hrs	Discussion
12.00 hrs	The NHSTA Estate Awareness Programme Training Opportunities
12.15 hrs	Discussion
12.30 hrs	Lunch
13.30 hrs	The Estate and General Management
13.55 hrs	Expectations of the Estates Sector from others
14.15 hrs	Estates Perceptions of the Role of Estates
14.35 hrs	Discussion
14.50 hrs	Training Issues — The Local Picture
15.10 hrs	Tea
15.30 hrs	Discussion
16.15 hrs	Proposals for Local Action and Close

Appendix B

Tiers 2 and 3

Tier 2 is offered as a portfolio of seminars and workshops on a broad range of estates and management related topics. Topics will be added to the portfolio as they become prominent. The individual events are offered on the basis of a standard topic agenda, e.g. "Techniques and Approaches" and charged at cost. Each can be run at locations and at times to suit the mutual convenience of speakers and host Authorities. The length of time available for each event will ensure that questions will be answered by the speakers involved, and that discussions in small groups on selected local issues can be programmed where appropriate.

1. *Introduction*

Tier 1 Symposium plus introductory material on HC(86)13.

2. *Information Management*

2.1 **The Common Basic Specification of Corporate Data and the Körner Minimum Data Set**
The presentation will explore the latest guidance on data collection with a view to bringing timely and relevant information to bear on the estate management process.

2.2 **Estate Management Information Needs at District and below**
A look at the operational interests to which estate management information can make a contribution, and the preferred form and context of this information.

2.3 **Deeds and Estate Terriers**
A discussion of the various sources of data on Deeds and Terriers and the nature and status of this data relative to service and estate planning priorities.

2.4 **WIMS Mark II**
An update on the latest software available to assist Estate Managers in producing relevant and up to date information for the service planning process.

2.5 **Performance Indicators**
This presentation deals with the use of performance indicators as a means of measuring the effectiveness of service planning decisions, particularly those concerning the estate.

2.6 **Estate Information Technology (IT) Strategy**
The use of IT is expanding so rapidly that Health Authorities may not be fully aware of how best to capitalise on the opportunities which IT currently provides. This presentation provides valuable overview of the IT strategies available to the NHS, their hardware implications and the prospects for estate management in the corporate setting.

3. *Property Transactions*

3.1 **Property Transactions in the NHS**
A look at (the revised Land Transactions Handbook) "Property Transactions in the NHS"

3.2 **Local Implications of Property Transactions in the NHS**
Usually in conjunction with 3.1, and examining closely the implications of Property Transactions in the NHS on local practice and experience.

3.3 **Significant Case Histories**
A review of the various models and precedents which exist in Property Case Law. This should assist Estate Managers in the making of decisions, informed by the available knowledge on relevant precedents.

3.4 **Easement, Wayleaves, etc.**
A specialised presentation dealing with the question of access, rights of access and the various means of obtaining access in circumstances where the establishment of such access can significantly affect the value and/or the utility of NHS land.

3.5 **Compliance Procedures and the Use Classes Order as they affect the Crown**
An examination of the position of the NHS as a developer viz a viz the possibilities open to it in Planning Law, the restrictions on the use of hospital land and the extent to which new uses can be sought when such land is disposed of.

3.6 **Property Transactions and the Health and Medicines Act 1988**
The Health and Medicines Act gives the Secretary of State for Health wide ranging powers to enable the NHS to operate more effectively in its contemporary setting. This presentation will look at the particular effect of this legislation on NHS property transactions.

4. *Town and Country Planning and Development*

4.1 **The Town and Country Planning Acts & Associated Procedures**
A summary of the town and country planning statutory framework within which Health Authorities must operate if property is to be acquired and disposed of with due regard to planning opportunities.

4.2 **The Local Authority Planning Cycle**
An outline of the process by which the planning framework is defined at the political, strategic, structure and development control levels, and how it affects Health Authorities.

4.3 **Section 52 Agreements and the Crown**
The process of negotiating with the Local Planning Authority prior to formally proposing a development is a well established principle in the private sector, but this presentation looks at the way formal agreements with Planning Authorities can form the basis of permission for a development, especially where the Planning Authority and the Health Authority both stand to gain.

4.4 **Relationship and Coordination with Planning Authorities**
Too often the Planning Authority is kept out of vital discussions in which its control must ultimately play a part. Good public relations and a good rapport and sense of coordination are shown in this presentation to be the hallmarks of good NHS estate management practice.

4.5 **Examples of Effective Coordination**
This presentation, usually offered in tandem with 4.4, looks at the individual success stories of selected Health Authorities, and other owners, who have as a result of effective coordination with Planning Authorities achieved gains in the quality of their service or estate infrastructure.

4.6 **A Developer's View**
The NHS had, until August 1985, been precluded from making planning applications in respect of land for non-health uses prior to its disposal on the open market. That picture has now changed, and this presentation looks at the NHS estate through a property developer with a view to sharing the many lessons so far learned from both sectors.

5. *Special Planning Issues*

5.1 **The Green Belt and its Application to Hospital Land — Policy and Practice**
The issue of guidelines in 1987 to reflect the DHSS and DOE's concern about hospital sites in Green Belt land, enables a great deal to be done to transform redundant buildings into relevant and fitting settings for new functions. This presentation looks at the considerations involved and the various models and approaches to Green Belt land which have so far been attempted.

5.2 **The Legal and Planning Framework**
An integrated discussion of the ways in which statutory and case law considerations can affect the way property is acquired, used and disposed of and the sources of information and expertise which are required to assist in the associated decisions.

5.3 **The Approach to Marketing**
A review of the ways in which Health Authorities might market their property, according to priorities and local interests. This presentation can also be used to assist in the development of appropriate marketing strategies according to a host Authority's current estate, revenue and service interests.

5.4 **The Nature of the NHS Listed Estate**
A look at the building stock owned by the NHS and the constraints and opportunities which are presented by Listed Buildings. The session will also examine a number of case histories with a view to encouraging a greater sense of care about the quality of building features.

5.5 **Curtilage and its Legal Implications**
Many legal constraints and conditions refer to the 'curtilage' of a property or dwelling, for example, in the case of Listed Buildings. This presentation explores in detail the meaning and implications of the term, in so far as it governs the appropriateness of estate decisions.

5.6 **Principles of Conservation**
A presentation of the factors which govern the intrinsic value of buildings as an environmental resource, and as assets worth conserving for their enhanced market price and for their qualities of design, materials, planning and layout.

5.7 **Planning Issues and the Health and Medicines Act 1988**
At present Health Authorities are precluded from addressing many planning issues effectively because of existing legislation. The Health and Medicines Act will enable this situation to change. The presentation will look at the issues which will be affected.

6. *Value and Performance*

6.1 **Functional Suitability**
This session will address the question of functional suitability from the point of view of the various measures which can be applied to it, the experience gained in its assessment to date,and the most appropriate ways in which this aspect of property appraisal can be used to assist service planning decisions.

6.2 **Utilisation and the Reduction of Surplus Capacity**
The process of identifying surplus space, buildings and land can be vital to the effective use of limited capital resources in the provision of new facilities. This presentation looks at the techniques for identifying surplus capacity and the experience so far gained in the contribution of these techniques to service planning.

6.3 **Property Appraisal Aggregation Techniques**
A look at the way the key aspects of the physical performance of buildings can be aggregated to provide an overview of condition for the purpose of implementing a service plan.

6.4 **The Principles of Valuation**
A presentation of the principles and common sense aspects of valuations, together with a discussion of the more technical process by which individual valuations are arrived at.

6.5 **Property Disposals: Partnership with Developers**
With specific regard to the nature of the NHS estate, a presentation of the factors and features of individual or groups of properties which are likely to be of interest in different markets. In

particular the data gathered through property appraisals concerning condition, spatial quality etc, will be looked at in relation to the identifiable interests of would-be purchasers.

6.6 **Update on Facilities Management Theory and Practice and Case Study of Space Management**
The use to which any space is put is rarely fixed for all time and in some cases may require to change very frequently. This presentation will show how space management techniques can be used to manipulate functions within and between appropriate spaces and facilities with a view to maintaining service provision in a changing management setting.

6.7 **Estate Utilisation Projects/Workshop**
The Ceri Davies Report outlined the general principles of property management in the NHS, but Health Authorities have not until recently been able to see the many examples of property rationalisation which have happened in consequence. Numerous projects have recently been initiated, based on the experience of the Nelson Hospital in South London, and there will be opportunities to discuss these in detail.

6.8 **Quality of the NHS Environment and its Contribution to Patient Care**
This presentation examines the relationship between the quality of the NHS environment in wards and public spaces and the patient's well-being. Low budget methods are explored for improving the patient's local environment.

7. *Service and Estate Planning*

7.1 **Strategic Planning in the NHS**
An overview of the strategic planning process with due reference to the roles of the Department of Health, Regions and Districts. Particular attention will be paid to the models of practice which have so far evolved and the criteria which govern the effectiveness of any given strategic plan.

7.2 **Property Planning**
The particular issue of property as a facet of the service planning process is the focus of this presentation. There is a discussion of the role of MEREW0RTH in this process and an assessment of the various ways of bringing property decisions into greater harmony with service priorities.

7.3 **Examples from selected Authorities**
As a presentation which can be linked with 7.2, this one concentrates specifically on practical examples where estate and property decisions have taken into account service planning priorities.

7.4 **The Estate Investment Programme and its Role in Planning**
A discussion of the interplay between the financing of the service plan and the expression of that plan in an investment programme for the estate.

8. *The Residential Estate*

8.1 **Housing Policy Update**
A look at the current policies on the provision of NHS residential accommodation and their effect on the needs of the NHS.

8.2 **Housing Standards/Costs**
A presentation of the criteria applied to public housing generally in terms of space and standards, and the way these criteria and the resultant costs are assimilated in the provision of NHS residential estate.

8.3 **Housing Associations and NHS Relationships**
An update on the various levels of collaboration currently being achieved between Housing Associations and Health Authorities for the housing of patients and staff, particularly in the field of community care.

8.4 **Financing Change: Building Societies, Developers etc.**
A review of the various possibilities which are currently being explored by Health Authorities for achieving the financing of new residential developments on a joint venture, profit-sharing basis.

8.5 **Examples of NHS and Housing Association Collaboration**
Linked with the general theme of residential topics, this presentation looks at some case studies of residential provision in the NHS involving other relevant interests and sources of finance.

9. *Estate Control Planning*

9.1 **District Estate Control Plan (ECP)**
A close look at the process of evolving a District-wide ECP to reflect agreed service provision requirements, with due regard to the nature and condition of the estate and service provision of sites in adjacent Health Authorities.

9.2 **Site Estate Control Plan and Programming**
At some point the District ECP will have to be expressed in terms of how individual buildings on particular sites are to be developed. This presentation looks at the decision processes involved and the spending priorities which lead to a programme for undertaking projects on a particular site.

9.3 **Supporting Feasibility Studies**
A discussion of the kinds of background studies required to be undertaken to ensure that ECPs are fully informed in terms of local town planning requirements, property market considerations, transportation factors and any shifting trends suggested by the service plan.

9.4 **Estate Investment Programme (EIP)**
A special presentation dealing with the capital and revenue spending consequences of the ECP over a given time, including a look at the way the ECP and the EIP can be manipulated to establish a balance of provision to match cash flow and at the same time take account of the income accruing from any disposals.

10. *Asset Management*

10.1 **Asset Rationalisation**
A look at the process of logging the estate and other physical assets in an inventory, the matching of that inventory to shifting service priorities and the identification of surplus assets for disposal.

10.2 **Life Cycle Costing of Assets and Risk Analyses**
This presentation will look closely at the question of useful life, both in functional and physical terms, and will demonstrate the risks presented by keeping an asset in service beyond its predicted life. These risks range from the opportunity cost of having money

tied up in a redundant asset to the increasing cost of putting right the damage caused by a failure or breakdown whilst an asset is still in service.

10.3 **Managing the Run-down of Surplus Property**
The case of large institutions — especially psychiatric hospitals — which become redundant as patterns of care change, is discussed as a particularly significant example of asset management. In this case the complex and delicately timetabled task of decommissioning a heavily staffed facility is presented in terms of the many successful precedents which now exist, and closely examined in terms of the risks involved and the social costs of getting the balance wrong between material and human considerations.

10.4 **Improving Maintenance Strategies and Procedures including 'Positive Maintenance'**
A look at the process of asset management and maintenance in terms of the quality of the item under consideration and the effect of a given quality target on the durability of the service the item provides.

10.5 **Estimating the Cost of Maintaining the Condition of a Service and Identifying the Cost of the Maintenance Operation**
This presentation will deal with the highly specialised process of quantifying the worth of a particular asset or facility in terms of maintaining a given functional output.

10.6 **Maintenance Contracts**
A summary of the various forms of contracts available for maintenance works and some feedback from experience of using these contracts in health building and engineering operations.

11. *Financial Issues*

11.1 **The Internal Market and Income Generation**
Aside from Military employers, the NHS is the largest single employer in Europe, and as such represents an enormous economy tying up hundreds of millions of pounds in capital and revenue. These vast financial resources, and their release to generate income for the NHS, are the subjects of this presentation.

11.2 **Tendering**
The process of obtaining competitive tenders for property-related works and services is one upon which much experience has accrued in the NHS. This presentation deals with the procedures

which should be followed in the tendering process with a view to protecting the interests of the NHS in the context of its estate objectives.

11.3 **Model Contracts**
So many forms of contract currently exist that choosing between one form and another has become a specialised skill requiring prior knowledge of the problems which are likely to come up. This presentation reviews the forms most appropriate to NHS property-related works, and assesses their relative merits.

11.4 **Privatisation Issues**
The privatisation of services which were formally part of an in-house portfolio is a process requiring both insight and sensitivity. The future of the NHS and its overall efficiency hinge on the devolution of some costly specialist skills to the private sector, whilst those which are essential are retained to maintain overall control. This presentation discusses the issues, opportunities and pitfalls of privatisation.

11.5 **Directly Employed Labour Overheads**
The assessment of overheads requires a full understanding of the sources of the various costs involved, as well as an understanding of the role and purpose of the service to which such overheads apply. This presentation examines the particular case of overheads in connection with directly employed labour.

11.6 **Capital vs Revenue**
The culture of financial activities in virtually all sectors has, until very recently, been capital dominated. Revenue was seen very much as an independent, although much greater, expense which arose in consequence. The weighing of decisions from both the capital and the revenue standpoint, simultaneously, will provide the focus of this presentation.

11.7 **Asset Accounting**
The definition of an asset, its material composition and the accounting of assets within an organisation, all require to be determined before decisions can be made about their deployment. This presentation looks at the work which is currently ongoing in Health Authorities to establish systems of asset accounting, and at the experience of running such systems.

11.8 **Resource Management**
This presentation will take a look at the resource management projects currently ongoing in the NHS. The objectives set, the experience gained from and the benefits of these projects will all be discussed.

Tier 3

All of the topics covered above are available, as Tier 3, in the form of support papers and/or audio tapes.

Appendix C

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